

VZCZCXRO0219  
PP RUEHFK RUEHKSO RUEHNAG RUEHNH  
DE RUEHKO #3569/01 2150803  
ZNR UUUUU ZZH  
P 030803Z AUG 07  
FM AMEMBASSY TOKYO  
TO RUEHC/SECSTATE WASHDC PRIORITY 6137  
INFO RUEKJCS/SECDEF WASHDC PRIORITY  
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY  
RUEAWJA/USDOJ WASHDC PRIORITY  
RULSDMK/USDOT WASHDC PRIORITY  
RUCPDOG/USDOC WASHDC PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
RUEKJCS/JOINT STAFF WASHDC//J5//  
RHHMUNA/HQ USPACOM HONOLULU HI  
RHHMHBA/COMPACFLT PEARL HARBOR HI  
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//  
RUALSFJ/COMUSJAPAN YOKOTA AB JA//J5/JO21//  
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA  
RUAYJAA/CTF 72  
RUEHNH/AMCONSUL NAHA 4830  
RUEHFK/AMCONSUL FUKUOKA 2403  
RUEHOK/AMCONSUL OSAKA KOBE 6003  
RUEHNAG/AMCONSUL NAGOYA 1445  
RUEHKSO/AMCONSUL SAPPORO 3173  
RUEHBJ/AMEMBASSY BEIJING 8203  
RUEHUL/AMEMBASSY SEOUL 4267  
RUCNDT/USMISSION USUN NEW YORK 5286

UNCLAS SECTION 01 OF 08 TOKYO 003569

SIPDIS

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;  
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;  
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;  
SECDEF FOR JCS-J-5/JAPAN,  
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA  
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;  
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 08/03/07-2

Index:

- (4) US asks Japan to extend antiterrorism law
- (5) Editorial: Antiterrorism Law: DPJ must become responsible party that takes national interests into account
- (6) MSDF mission in Indian Ocean a means of defending Japan's national interests
- (7) American interpretation of Abe's defeat in Upper House election: Premature to presume that the administration will collapse
- (8) Interview with former Internal Affairs and Communications Minister Heizo Takenaka on his opinion of trading of places between ruling and opposition camps in Upper House: Good opportunity to change bureaucrat-led politics; DPJ should come up with its own budget proposal

ARTICLES:

- (4) US asks Japan to extend antiterrorism law

MAINICHI (Page 2) (Full)  
August 3, 2007

The aftermath of the opposition camp trading places with the ruling coalition in the House of Councillors is now spreading to Japan-US relations, as well. The reason is that Minshuto (Democratic Party of

Japan) President Ichiro Ozawa made clear the opposition to the extension of the Antiterrorism Special Measures Law, which is set to expire on November 1, as promised voters in the campaign. US Ambassador to Japan Thomas Schieffer sought to constrain Japan, saying in the Financial Times August 1 edition:

"Japan is a responsible member of the international community, and I would not want Japan to decide that one issue was not important any more or that they didn't want to contribute any more."

The Maritime Self-Defense Forces' refueling mission to assist the US-led forces' mop-up operation in the Indian Ocean against terrorists in Afghanistan is highly valued, with a US Defense Department official saying: "The precision of the fueling is high, and the refueling support is treasured by the vessels engaging in anti-terrorism operations in the Indian Ocean." A Japanese government official said: "Since Japan continues to carry out this refueling mission, Japan-US relations remain good even after Ground Self-Defense Force troops withdrew from Iraq."

If the bill to extend the Antiterrorism Special Measures Law does not pass the Diet, the MSDF troop will be withdrawn. Curt Campbell, deputy assistant secretary of defense under the Clinton administration, said: "If the extension bill is voted down, terrible things will happen."

Japan's foreign and defense officials, too, are bewildered. A senior Foreign Ministry official said with alarm: "The moment the MSDF mission is pulled out due to the expiration of the law, Japan will fall into the non-mainstream group in the international community's war on terror." A senior Defense Ministry official has explained Washington about the Diet rule that even if the Lower House rejects the legislation, the Lower House would be able to enact it with a

TOKYO 00003569 002 OF 008

two-thirds majority. However, not enough time would be left until the law's expiration.

Taku Yamasaki, chairman of the ruling Liberal Democratic Party (LDP) Security Research Commission, told reporters on Aug. 2:

"Unless the term of the upcoming extraordinary Diet session, which is to convene on Aug. 7, running for four days, is extended until November or the prime minister cancels his overseas trip in order to resume the extra session after the mid-August O-Bon holiday break, we won't be able to take a flexible response."

The DPJ intends to work in line with Ozawa's guidance. Acting President Naoto Kan stated in a press briefing on Aug. 2: "I think the ruling coalition will ask us to compromise on every issue. But there is no way we will make compromises behind the scenes."

Meantime, some in the LDP take the view to let Ozawa do whatever he wants to do.

Nobutaka Machimura, who heads a LDP faction from which Prime Minister Shinzo Abe hailed, and Masahiko Komura, who also heads a faction, met at the end of July after the Upper House race. The two former foreign ministers had the following exchange: Let the measure be killed in the Upper House with the DPJ's opposition since the Lower House will pass the bill eventually. If such happens, it means that the DPJ will show how it looks down on relations with the United States.

A Japanese diplomat in Washington worried: "The anti-terror law extension issue could become a dividing line on whether bilateral relations will be hit by a landslide and deteriorate or whether it will just be a temporary political phenomenon."

(5) Editorial: Antiterrorism Law: DPJ must become responsible party that takes national interests into account

SANKEI (Page 2) (Excerpts)  
August 3, 2007

Will the Democratic Party of Japan (DPJ or Minshuto), which is now

the largest party in the House of Councillors, proceed along the path to assuming political power?

The Antiterrorism Special Measures Law, which authorizes the Maritime Self-Defense Force (MSDF) to engage in refueling operations in the Indian Ocean, is to expire Nov. 1. Attention is being focused on what response the DPJ would make to the government's plan to extend the law in the extraordinary Diet session this fall.

President Ichiro Ozawa, however, has already indicated his opposition to the extension plan, saying, "As we have opposed the extension, there is no way for us to shift to supporting it now," causing concern in the United States government.

If the main opposition party cannot act in a way that serves Japan's national interests in view of the Japan-US alliance and international trust in Japan, many of the electorate who voted for the DPJ in the Upper House election can be expected to give up on the party, based on the judgment that if that is the case, the DPJ cannot be allowed to assume power.

TOKYO 00003569 003 OF 008

Ozawa should try to remove the undeserved label that he gives priority to policy over the political situation.

The Antiterrorism Law was enacted based on a UN Security Council resolution following the terrorism attacks on the US in September 11, 2001.

The law was extended three times, and each time, the DPJ opposed its extension. Under the situation where the ruling coalition has lost its majority in the Upper House, if the DPJ continues to oppose the extension, the refueling operations will inevitably be suspended.

The mission of the MSDF is to refuel vessels of the multinational force participating in the war on terrorism in Afghanistan. Their operations are not only for the US. They have refueled naval ships from Pakistan, though it is an Islamic nation. In order to keep Pakistan in the war on terror, Japan has played a significant role.

Should Japan withdraw from the Indian Ocean, the impact on the Japan-US alliance will be serious.

In light of the problem's importance, US Ambassador Thomas Schieffer reportedly is eager to meet Ozawa to discuss the issue. But the government and the ruling parties should first meet face to face with the DPJ.

(6) MSDF mission in Indian Ocean a means of defending Japan's national interests

YOMIURI (Page 13) (Abridged slightly)  
August 3, 2007

Now that the opposition camp holds a majority in the House of Councillors as a result of its overwhelming victory in the July 29 poll, a bill to extend the Antiterrorism Special Measures Law might be voted down, undermining Japan's national interests as a result. This article examines the Maritime Self-Defense Force's ongoing fueling operation in the Indian Ocean.

"I think our operation is a passport to the international community that is at war with terrorism," an MSDF officer said, looking back at the force's activities in the Indian Ocean that started over five and a half years ago.

The terrorist attacks on the United States on September 11, 2001, claimed some 3,000 lives, including 24 Japanese. Then German Chancellor Schroeder described the event as a declaration of war not only against the United States but also against all of civilization. The international community soon rose up against terrorism. The Japanese government, too, dispatched MSDF destroyers and supply ships to the Indian Ocean. They have been refueling vessels and seaborne helicopters of US-led coalition forces that are on lookout for terrorists and arms transport in Afghanistan and its environs as

part of Japan's rear-echelon support.

Eleven countries have taken part in the maritime intercept operation called Operation Enduring Freedom. At present, 17 vessels from six countries are deployed in the area stretching from the Arabian Sea north of the Indian Ocean to Africa. Canada and New Zealand have announced troop redeployment this fall or later. "Although the operation began under the US initiative, it is now an international endeavor," the MSDF officer noted.

TOKYO 00003569 004 OF 008

For instance, the Pakistani Navy joined guard and surveillance activities in July 2004. The MSDF refueled Pakistani vessels on 257 occasions -- the second highest following the US forces' 380 -- as of June 21. In addition to fuel, the MSDF has supplied some 6,000 tons of water to the Pakistani vessels, which have poor capability of turning seawater into pure water. Reportedly the Pakistani Navy will shortly take command of the coalition forces in place of the French Navy.

A Defense Ministry official explained:

"Participation in the war with Islamic extremist groups, such as al-Qaeda, by Pakistan, also an Islamic country, carries great significance. Anti-American sentiment runs deep in Pakistan, and its participation in the war owes much to Japan's assistance."

MSDF Chief of Staff Eiji Yoshikawa, who inspected on July 7 an MSDF supply ship refueling the British frigate Richmond, said proudly: "Not many countries can deploy supply ships on a long mission. This shows Japan's strong national power and the MSDF's high capability." Nearly half of the vessels taking part in the maritime intercept operation are receiving fuel from the MSDF supply ships.

Hiding out in areas near the Afghanistan-Pakistan border, members of al-Qaeda and other international terrorist groups are receiving training in such countries as Sudan and Somalia. Over 5 tons of arms and ammunition have been confiscated in the maritime intercept operation. Guarding and surveillance by the United States, Britain, France and other countries and the MSDF's ship-to-ship refueling operation are indeed "two wheels of a cart."

Self-Defense Fleet Commander Vice Admiral Yoji Koda took this view:

"The coalition forces' activities are similar to yearend police special precautions. Activities by terrorist organizations can be constrained by keeping watchful eyes."

Apart from the maritime war on terrorism, some 20 countries, including the United States and Britain, are engaged in search-and-destroy operations against al-Qaeda and the Taliban in Afghanistan. The International Security Assistance Force (ISAF) composed of some 36,000 troops from 37 countries led by the North Atlantic Treaty Organization (NATO) is conducting security operations throughout Afghanistan to help foster the new Afghanistan national army in accordance with a UN resolution.

Today, nearly six years after 9/11, over 40 countries are engaged in the war on terrorism. The Defense Ministry official noted: "Afghanistan is a center of international terrorist groups. A failure in nation-building in Afghanistan would force the world to live in the shadow of terrorism."

South Korean and German civilians have been abducted by militants in recent months, and the death toll of ISAF troops is also on the rise. But no one calls for an end to the war on terrorism. Japan's departure from this circle of cooperation at this stage would mean its withdrawal from the international community.

MSDF assistance (as of June 21, 2007)

Fuel for vessels 480,000 kiloliters (761 times)

TOKYO 00003569 005 OF 008

Fuel for helicopters 920 kiloliters (62 times)  
Water 6,090 tons (111 times)  
Total number of ships deployed 59  
Total number of troops deployed 11,280

(7) American interpretation of Abe's defeat in Upper House election:  
Premature to presume that the administration will collapse

SANKEI (Page 3) (Slightly abridged)  
August 3, 2007

Yoshihisa Komori, Washington

Jim Auer, a professor at Vanderbilt University and a former director of the Japan Desk at the US Department of Defense, in commenting on the campaign for the July House of Councillors election noted that the issues that set off the public were the pension mess and scandals involving cabinet ministers. He commented:

"I strongly hope Prime Minister Shinzo Abe will not cave in to calls growing after his election defeat to drop his basic policy of 'emerging from the postwar regime. Instead, the prime minister should promote this policy with a strong will. The voters did not express opposition to it, and his policy, on the contrary, will contribute to strengthening the Japan-US alliance and expanding Japan's contributions to the international community."

He meant that constitutional revision, educational reform, Japan positive commitment to international security, and promotion of value-oriented diplomacy - tasks that must be tackled to build a new Japan - were not issues in the election campaign. He emphasized that voters voiced no opposition to them.

Of course, some offer different views. On any themes, a variety of views are presented in the United States. The Los Angeles Times in its editorial titled: "Is Abe a Japanese Bush?" cynically noted: "Prime Minister Abe, who is reputedly arrogant, called for amending the Constitution and Japan playing a broader international security role, but the voters did not share his enthusiasm."

The New York Times, noted for its harsh criticism of Abe that approaches the bashing level, indicated that since many Japanese regard the strengthening of the alliance in cooperation with the Bush administration as dangerous, Prime Minister Abe's basic policy was rejected in the election

Even so, many political figures in the US, even those who are anti-Bush, have expressed support for the Abe administration's foreign policy, as seen from House International Relations Committee Chairman Lantos' announcement of his support for Prime Minister Abe's efforts to revise the Constitution. Democratic presidential candidate Sen. Barack Obama also welcomed Japan's war on the terror and other major contributions to ensuring international security under the lead of Prime Minister Abe, saying that Japan has been on the road to becoming an ordinary country.

Michael Green, who until recently was in charge of Japanese and Asian policies as senior director for Asian affairs at the National Security Council in the Bush White House, commented:

"It is premature to predict that the Abe administration will collapse. Some observers anticipate that Abe may be pressed to

TOKYO 00003569 006 OF 008

retreat from his ambitious diplomatic policy and national security goals as a result of his crushing defeat in the election. But Just the opposite may be true. His defeat was not due to his diplomatic and security policies."

Green then emphasized the need for Prime Minister Abe to strengthen strategic ties with other democratic countries when he visits India and attends the annual APEC (Asia-Pacific Economic Cooperation) forum and the annual meeting of United Nations general assembly. He also proposed coordinating views to enable Japan to exercise the right to collective self-defense.

Such positive views among some Americans about the future course of Prime Minister Abe also reflect their anxiety about the Democratic Party of Japan (DPJ or Minshuto). Brad Glosserman, an expert on security affairs in Asian, said: "The DPJ has yet to have its own policy identity. Its immediate domestic policy stance has not been revealed, either." The Wall Street Journal in its editorial said: "(As a result of the DPJ's domestic policies,) the ongoing reform of the civil servant system, including restrictions on amakudari (the practice of government officials finding employment in the private sector after retirement), might be delayed. In addition, expenditures for infrastructure and other public works projects might be increased, and the government eventually might become as bloated as before."

(8) Interview with former Internal Affairs and Communications Minister Heizo Takenaka on his opinion of trading of places between ruling and opposition camps in Upper House: Good opportunity to change bureaucrat-led politics; DPJ should come up with its own budget proposal

ASAHI (Page 4) (Full)  
August 3, 2007

-- What do you think the causes of the defeat of the LDP in the recent Upper House election are?

The LDP was unable to come up with a major campaign issue matching postal privatization, which split public opinion into two. Nobody will oppose growth strategy or education revitalization. If the LDP wants to revitalize education, it could propose privatizing Tokyo University so that it would become free of the restrictions set by the Ministry of Education. This proposal would split public opinion. The LDP, however, tried to do it innocuously. That is why voters' policy interest was very low. Then, the Social Insurance Agency (SIA) problem sprung up, infuriating the public.

Former Prime Minister Koizumi was criticized for his "one-phrase politics", but politics should be administered in simple terms. Political policies are complex and difficult. It is impossible to have the public understand all policy themes. Political parties are being put to the test on their capability to convey the essence of policies. In that sense, the DPJ's "missing pension records" was successful (as a campaign issue)."

-- Do you mean the Abe administration's message was difficult to understand?

"Mr. Koizumi targeted the unaffiliated voters. Once you have changed your stance, you must do it thoroughly. Mr. Abe allowed postal rebels to return to the LDP. He also relied on organized votes. As a

TOKYO 00003569 007 OF 008

result, he lost the LDP's traditional election base as well as support from swing voters. He was shunned by unaffiliated voters, since he tried to do things innocuously.

-- The LDP lost in rural single-seat constituencies with its structural reform policy being criticized. Isn't it the case?

"That is the logic the forces of resistance use. The typical case is the Shikoku region, where the LDP was unable to gain even a single seat. Among four prefectures in that region, three prefectures had postal-rebel candidates. The situation apparently indicates that the LDP has changed. The economy has further improved over the past two years since the so-called postal election in 2005. If you look at the situation from abroad, the defeat of the LDP would look very strange. People say that regional districts have become impoverished, but the effective demand-supply ratio of labor force in regional districts has risen, reflecting the spreading of the business uptrend.

-- Opposition parties criticized that stockholders and corporate managers have split profits generated by the recovered economy between themselves, but corporate employees and sub-contractors have not received benefits. What is your view on that?

"It is true that company shares have increased. However, the situation was just the reverse in the 1990s with the labor distribution rate staying too high. Adjustment to lower that rate is now going on. Regional districts have become impoverished not because of the reform effort but due to local industries losing competitiveness. Opposition parties have not yet come up with a solution to settle this situation. Will the situation improve if the government scatters subsidies to farmers? If it actually does that, the whole state will sink due to the 'balanced decline of the national land'."

-- Will Prime Minister Abe continue with the structural reforms?

"I think he will inherit the Koizumi policy agenda. The approaches of cabinet ministers and special advisors to the prime minister, however, have been insufficient. I hope to see influential figures with a reform mindset, such as LDP Diet Policy Committee Chairman Toshihiro Nikai and former Secretary General Tsutomu Takebe, play active roles.

-- The election this time has also raised basic questions about the Upper House itself.

"To begin with, Upper House members must pursue discussions based on an approach that is different from the one adopted in the Lower House, which is specialized. However, I see many who became Upper House members just because they were unable to gain Lower House seats. Many of them are simply members of Diet policy cliques, instead of being experts. Another cause of the defeat of the LDP is that it picked candidates in an old-fashioned manner.

-- What will become of future Diet deliberations?

"I hope to see the ruling and opposition parties discuss issues in a far-reaching manner. The DPJ's policy-making ability will be put to the test. It is facing a crucial point. If the DPJ makes constructive proposals as it did in the Diet sessions after the Upper House election in 1998, which focused on financial issues, the

TOKYO 00003569 008 OF 008

LDP should swallow its requests. This is an opportunity to shift from the traditional bureaucrat-led policy-making method, meaning bureaucrats bringing members of Diet policy cliques into their fold, to politics-led policy-making method.

The best policy-making process varies at any given time. When the government and the ruling parties have a stable majority, they can use the Council on Economic and Fiscal Policy. However, when the opposition takes control of the Upper House, it will be better to set up a forum for talks between the ruling and opposition parties.

-- Do you think DPJ head Ozawa will accept policy talks?

"I would like the DPJ to be wiser. It will not do to change only selected policies within the framework provided by the government. Since it is the major advantage for the DPJ that it can start with a clean slate, it can create any framework it wishes. It can also introduce its own budget plan totally different from the government's. It can also present its own economic outlook against the government's economic outlook. If it does that, a real battle of words can take place.

The job of legislators is to write laws. But there is no one who joined the Diet in order to write laws. They all want to use their power in the administration. That is why bureaucrat-led politics exists. If the DPJ introduces good bills, Japan's policy will improve.

SCHIEFFER